

1. Introduction Section

1. Introduction Section

[1.0.1 Accounts Receivable Management Division Mission Statement](#)

[1.0.2 Statement of Collection Principles](#)

[1.0.3 Purpose and Scope of Manual](#)

[1.0.4 Collection Procedure Manual Structure - Overview](#)

1.0.5 Manual Structure - Policies

[1.0.5.1 Account Administration Policy](#)

[1.0.5.2 Account Processing Policy](#)

[1.0.5.3 Debtor/Asset Location Policy](#)

[1.0.5.4 Voluntary Account Resolution Policy](#)

[1.0.5.5 Involuntary Account Resolution Policy](#)

[1.0.5.6 Account Servicing Policy](#)

[1.0.5.7 Special Processes Policy](#)

[1.0.5.8 Non-Tax Debt Collection Policy](#)

1.0.6 CPM Manual Control Process

[1.0.6.1 Collection Procedure Manual \(CPM\) Control Process](#)

Last Revision: 09/25/18

1.0.1 Accounts Receivable Management Division Mission Statement

The primary mission of the Accounts Receivable Management Division is to help taxpayers with overall guidance, direction, and support during the course of voluntary and involuntary collections. We ensure the accuracy of our assessments and collect the proper amount due. During this process we endeavor to educate the taxpayer and are available for quick and accurate case resolution. We have high expectations of our employees, are continually improving our training and the quality of our service, which maximizes our effectiveness and minimizes the cost to the State of California.

Note: (()) = Indicates confidential and/or proprietary information

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.2 Statement of Collection Principles

It is the purpose of the Collection Program to collect the proper amount of delinquent Personal Income Tax, Bank and Corporation Income Tax, and Non-Tax debts. Our collection strategy is to encourage taxpayers or debtors to resolve their debts as quickly as possible through the methods best suited to their situation and to help them achieve long term compliance.

Franchise Tax Board is also committed to working with state and local governments in a coordinated manner to accomplish collecting delinquent amounts when they are referred by statute.

These principles are of the utmost importance and help guide how we resolve collection accounts, we:

- Apply new law and administrative changes with transparency to maintain public trust and confidence.
- Ensure the protection of the taxpayer's rights, privacy, and information.
- Conduct our business in accordance with the Statement of Principles of Tax Administration, Taxpayers' Bill of Rights, and our organizational values.
- Provide professionalism to any job assigned, regardless of whether or not it is one of our normal duties.
- Share our strengths and past experiences to maximize Franchise Tax Board effectiveness
- Resolve compliance issues in an impartial and professional manner.
- Strive to always treat taxpayers or debtors with fairness, flexibility and firmness even under adverse circumstances.
- Have a thorough understanding of the issues related to the accounts we are resolving. Ensure due process has been given and take every opportunity to educate the taxpayer or debtor.
- Take fair and appropriate actions to guide taxpayers or debtors back to compliance to avoid future compliance issues.
- Offer voluntary options for taxpayers to resolve debts in order to minimize intrusion.
- Utilize the least intrusive involuntary collection actions first when voluntary options are exhausted.

The Court-Ordered Debt Collections Program is committed to working in a cooperative and coordinated manner to accomplish the task of collecting delinquent amounts referred by the California courts.

Members of the Court-Ordered Debt Collections team will:

- Strive to always treat debtors with fairness, flexibility, and firmness even under adverse situations.
- Ensure due process has been given and that collection procedures have been utilized fairly while at the same time educating debtors about compliance with court orders.
- Provide professionalism to any job assigned, regardless of whether or not it is our normal duties.
- Be flexible and willing to work to create a cohesive team and be sensitive to the feelings of co-workers.
- Share our strengths and past experiences to maximize the team's effectiveness.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.3 Purpose and Scope of Manual

Purpose

The purpose of a Collection Procedures Manual (CPM) is to provide information that clearly describes the desired culture and philosophy for the Collection Program and to provide a CPM that is usable in structure, clarity, and correctly applies the laws enacted by the legislature to collect the proper amount due. The CPM documents and standardizes collection procedures throughout the department for taxes and non-tax debts. This ensures fair and equal treatment of all taxpayers to extend to each taxpayer due process of law and equitable consideration. It also encourages maximum self-compliance. In addition, we will institute a control system to ensure the authorization of correct and timely updates.

Scope

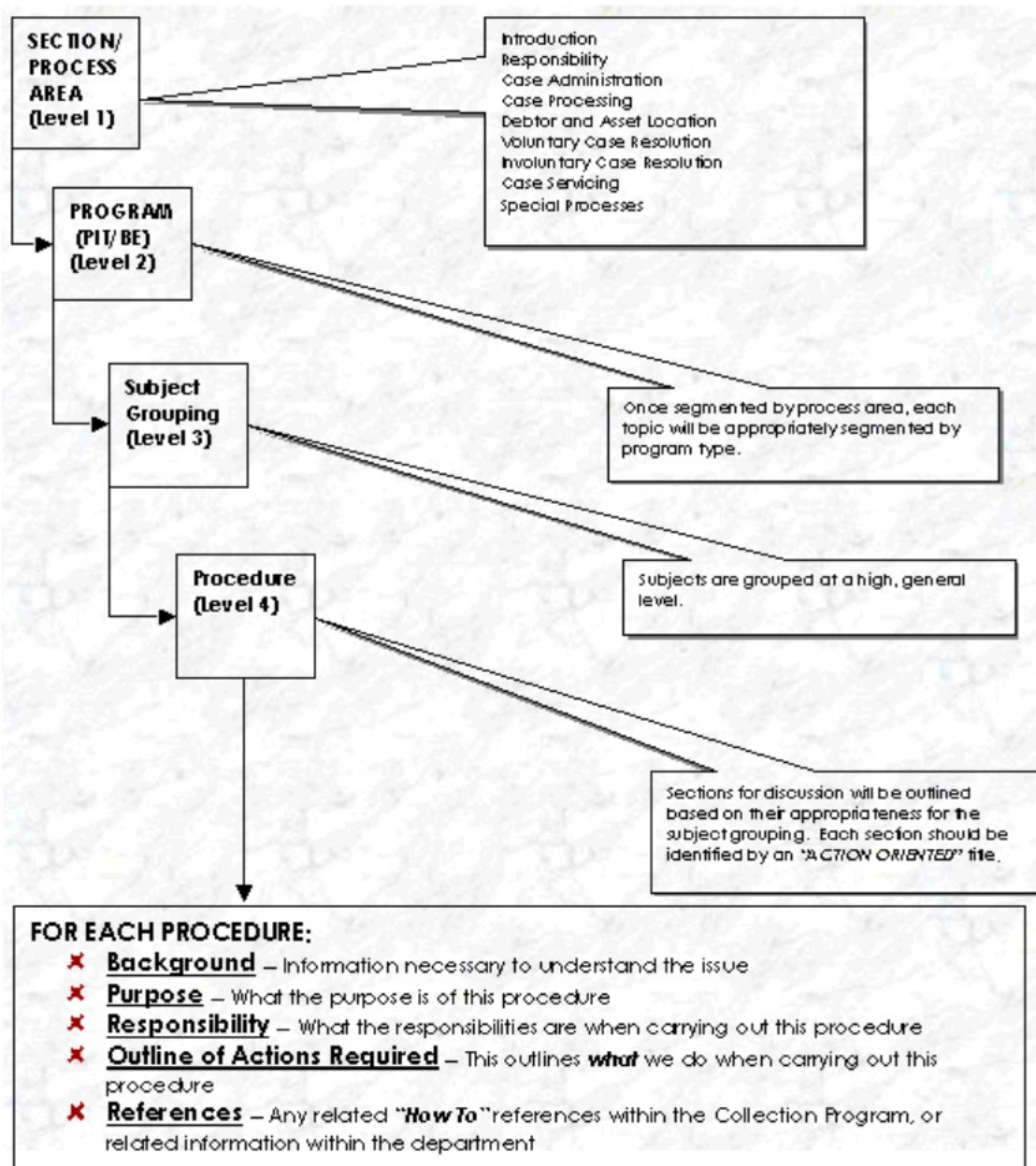
The intent of this manual is to provide clear and usable information. This manual enables users to locate information with minimum effort. In addition, it includes the following:

- Making the collection process distinctive
 - Obtaining the necessary information to resolve the account
 - Locating delinquent taxpayers and assets
 - Resolving complex collection accounts
- Developing procedures to outline accountability
- Consistently reviewing manual content
- Eliminating information that is obsolete or not applicable
- Providing correct technical content

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.4 Collection Procedure Manual Structure - Overview



[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.1 Account Administration Policy

It is the responsibility of the collection employee to ensure that all of the taxpayer's' rights are provided and fully protected for accounts that enter and flow through the entire collection process. The integrity of the collection process is maintained through proactive account administration

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.2 Account Processing Policy

It is the responsibility of the collection employee to analyze, plan, document, and manage collection cases to ensure that they are prepared, processed, and completed using current information and the most effective and responsible strategies

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.3 Debtor/Asset Location Policy

It is the responsibility of the collection employee to use the appropriate resources to locate and identify taxpayers and their assets. The proper use of this information expedites the resolution of collection accounts in the most efficient and effective manner

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.4 Voluntary Account Resolution Policy

It is the responsibility of the collection employee to offer taxpayers all reasonable opportunities to voluntarily resolve their tax and non-tax obligations and to educate them to avoid future compliance issues.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.5 Involuntary Account Resolution Policy

It is the responsibility of the collection employee to utilize available involuntary collection actions once voluntary compliance options are exhausted. In resolving tax and non-tax obligations, collection staff will utilize the least intrusive actions, and apply all actions in a manner that is consistent with the laws and practices that are appropriate for the situation of each individual taxpayer.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.6 Account Servicing Policy

It is the responsibility of the collection employee to promptly, thoroughly, and accurately respond to a taxpayer's inquiry. Employee must also act upon information received or respond to an action taken to ensure the timely modification, adjustment, or other necessary changes critical to account development and resolution.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.7 Special Processes Policy

It is the responsibility of the collection employee to respond to account issues that cannot be resolved in the core collection process. Employee must utilize the appropriate special process activities that successfully address and resolve the specific issues.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.5.8 Non-Tax Debt Collection Policy

It is the responsibility of the Non-Tax Debt Collection employee to efficiently collect debts that are legislatively mandated to collect on behalf of various clients throughout California.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018

1.0.6.1 Collection Procedure Manual (CPM) Control Process

Background

The procedures for making updates or changes to the CPM needed to be revised. Some important policies and/ procedures were taking too long to be updated to the CPM.

Purpose

The purpose is to outline the steps when requesting a change or modification to the CPM.

Policy

All policies, procedures, and work instructions related to account administration, account processing, taxpayer and asset location, voluntary account resolution, involuntary account resolution, and special processes (e.g., Bankruptcy, Innocent Spouse, Offer in Compromise, etc.), Nontax Debts, and Vehicle Registration Collection are subject to this update procedure.

Action

It is the responsibility of employee, leads, supervisors, and managers to recognize, identify, and share elements in the Collection Program that need changing or updating.

The following details the roles, responsibilities, and procedures for requesting modifications and/or changes to the CPM:

- Employees recommending a change to the CPM are to submit proposals via electronic mail to the following address ((****)).
- The CPM Technical Team will handle all stages thereon to ensure the information suggested is presented on the CPM in an expeditious and timely fashion.
- The CPM Technical Team will serve as a single point of contact for all recommendations and changes to the CPM.

Note: (()) = Indicates confidential and/or proprietary information.

[Return to the Table of Contents](#)

Last Revision: 09/25/2018